

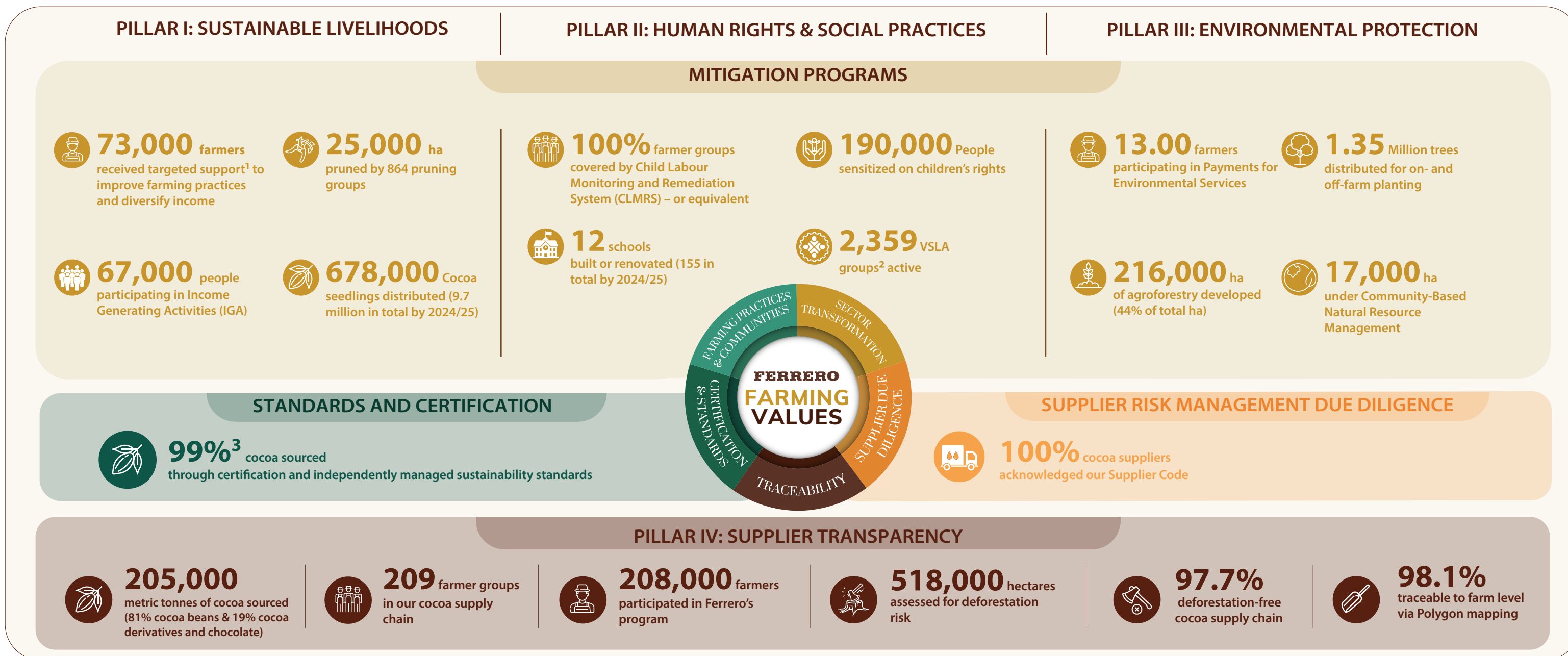
FERRERO

ANNUAL COCOA
CHARTER PROGRESS
REPORT
2024/25





KEY FIGURES ON FERRERO'S PROGRESS IN 2024/25



¹ This value represents the number of farmers that are supported with long-term Farm Development Plans.

² Village Savings and Loans Associations, see Glossary for more details.

³ The Ferrero Group perimeter in scope of reporting for 2024/2025 include Ferrero core brands and the acquisitions Thorntons, Fannie May, FerValue, ICFC, Eat Natural and Keebler. Of these entities the cocoa volumes for Keebler were not purchased as certified in 2024/2025.



FERRERO – RESPONSIBLE SOURCING APPROACH

At Ferrero, we believe responsible sourcing starts with knowing where our ingredients come from and working collaboratively to address the environmental and social challenges within our supply chains. Rooted in our Sacco Conosciuto philosophy, Ferrero Farming Values (FFV) provides the framework that guides our approach across priority ingredients through five interconnected elements: Supplier Due Diligence, Traceability, Certification & Standards, Farming Practices & Supporting Communities, and Sector Transformation. Through FFV, we work with suppliers, farmers, governments, NGOs, industry partners, and local communities to drive continuous improvement, strengthen supply chain resilience, and help advance more sustainable and responsible sourcing practices.

We aim to be a driving force in a cocoa sector where production creates value for all: where the livelihoods of smallholders and farming communities are improved; children’s rights are respected; and the environment is actively protected and enhanced through sustainable agricultural practices.

FERRERO COCOA CHARTER

In line with our [Supplier Code](#), the [Cocoa Charter](#) lays out our requirements and long-term commitments for sourcing cocoa responsibly.

2024/25 ACTION PLAN FOR COCOA

The [Cocoa Action Plan](#) outlines our key actions to meet the commitments in our Charter.

RESPONSIBLE SOURCING APPROACH	CHARTER REQUIREMENTS AND COMMITMENTS	KEY ACTIONS
 Programme(s)	PILLAR I: Sustainable Livelihoods	Number of farmers supported with Farm Development Plan Number of people participating in Income Generating Activities (IGAs) ⁴
	PILLAR II: Human Rights and Social Practices	Percentage of farmers’ groups with Child Protection Systems such as CLMRS ⁵ Number of children reached via holistic Community Development programmes ⁶ Number of VSLA groups established ⁷
	PILLAR III: Environmental Protection	Hectares of cocoa farms with agroforestry in development
 Standards and Certifications	PILLAR I: Sustainable Livelihoods	Percentage of cocoa sourced responsibly ⁸ Percentage of cocoa sourced with Living Income Differential (LID) ⁹
 Supply Chain Visibility	PILLAR IV: Supplier Transparency	Percentage of cocoa sourced traceable to farm level Percentage of cocoa sourced deforestation-free
 Supplier Risk Management Due Diligence	Basic Requirements - Due Diligence	Percentage of Supplier Code acknowledged

⁴ Income Generating Activities.
⁵ Child Labour Monitoring and Remediation System.
⁶ Implementing partners: Save the Children and suppliers.
⁷ Village Savings and Loans Association.
⁸ Sourcing is done through certification and independently managed sustainability standards.
⁹ Applies to Côte d’Ivoire and Ghana only.

2024/25 COCOA PROGRESS REPORT

In this report, we outline our progress against the **Cocoa Action Plan** in the 2024/25 season, illustrating it with case studies and examples from our suppliers and partners.



PILLAR I: SUSTAINABLE LIVELIHOODS

Foster a more equitable value chain for the people involved in cocoa production

Commitment: Support cocoa farmers to prosper

Cocoa farmers face significant challenges in achieving a sustainable livelihood. Many factors lead to low yields and incomes: poor farm design and management, small plots, ageing trees, diseases and pests, limited access to affordable and appropriate agricultural tools and materials, lack of financial access and literacy, and limited access to agricultural education, infrastructure and technologies.

How is Ferrero working on this commitment?

Through our sustainability programme, we provide targeted support to cocoa farmers to improve their farming practices so they can earn more from cocoa. As cocoa doesn't provide a year-round income, we also help farmers diversify their income and increase food security.

The objective is to make cocoa farming more profitable for farmers and improve their resilience to climatic, natural resource and market shocks.

What steps have been taken in the 2024/25 growing season?

We provide individual and tailored coaching and support to a large segment of our farmers to help them professionalise and diversify their operations. In 2024/25, around 81,000 farmers have received one-to-one coaching on farm and business planning, and 73,000 farmers (+14% vs last year) are supported with individual long-term Farm Development Plans. In addition, 136,000 farmers participated in group training on good agricultural practices. We also supported almost 67,000 people (+48% vs last year) in diversifying their on-farm and off-farm incomes through additional income-generating activities such as soap-making, chicken farms, beekeeping, grass-cutting and small shops.

By distributing high-yielding and resilient cocoa seedlings, farmers can rejuvenate and rehabilitate ageing cocoa fields. We distributed 678,000 cocoa seedlings in 2024/25¹⁰, making a total of almost 9.7 million since 2014/15. In addition, on top of the commercial and farm-gate prices set by some governments, we pay premiums to farmer groups, doing so for 178,000 farmers this year. Of these, we paid 33% digitally (+4% vs last year) to increase financial transparency and help farmers become bankable. We are aiming to increase this percentage every year. Finally, we involved and supported almost 5,500 active young adults in a total of 864 community-service groups or 'pruning groups'. They provided farming services to almost 29,000 farmers, pruning more than 25,000 ha.

¹⁰ Cocoa seedlings were not distributed in Côte d'Ivoire due to the ban imposed by the government in 2018.



CASE STUDY

ENROUTE PROJECT: KEY FINDINGS ON LIVING INCOME

Testing evidence-based strategies to support farmer income growth and strengthen resilience

Through the strategic framework of Ferrero Farming Values (FFV) and in line with the commitments outlined in Ferrero's Cocoa Charter, we support farmer livelihoods and resilience through a combination of targeted interventions, collaborative initiatives, and the payment of the Living Income Differential (LID). By doing so, we also aim to contribute to closing the gap towards a living income. Guided by our commitment to continuous improvement, we believe it is essential to monitor, evaluate and learn from our efforts to better understand which combination of interventions can deliver the greatest and most sustainable impact for farming communities.

In collaboration with Oxfam Novib and the KIT Institute, and co-funded by the Netherlands Enterprise Agency (RVO), our supplier ETG | Beyond Beans launched the four-year EnRoute pilot project in Côte d'Ivoire. The project involved one of Ferrero's farmer groups and its objective was to test practical, cost-effective ways to support farmers towards a living income.

What is a "Living Income"?

The **Living Income Community of Practice** defines a living income as "the net annual income required for a household in a particular place to afford a decent standard of living for all members of that household." This includes food, water, housing, education, healthcare, transport, clothing, and other essential needs, as well as a limited budget for telecommunications and provision for unexpected events. The Living Income Gap is the difference between a

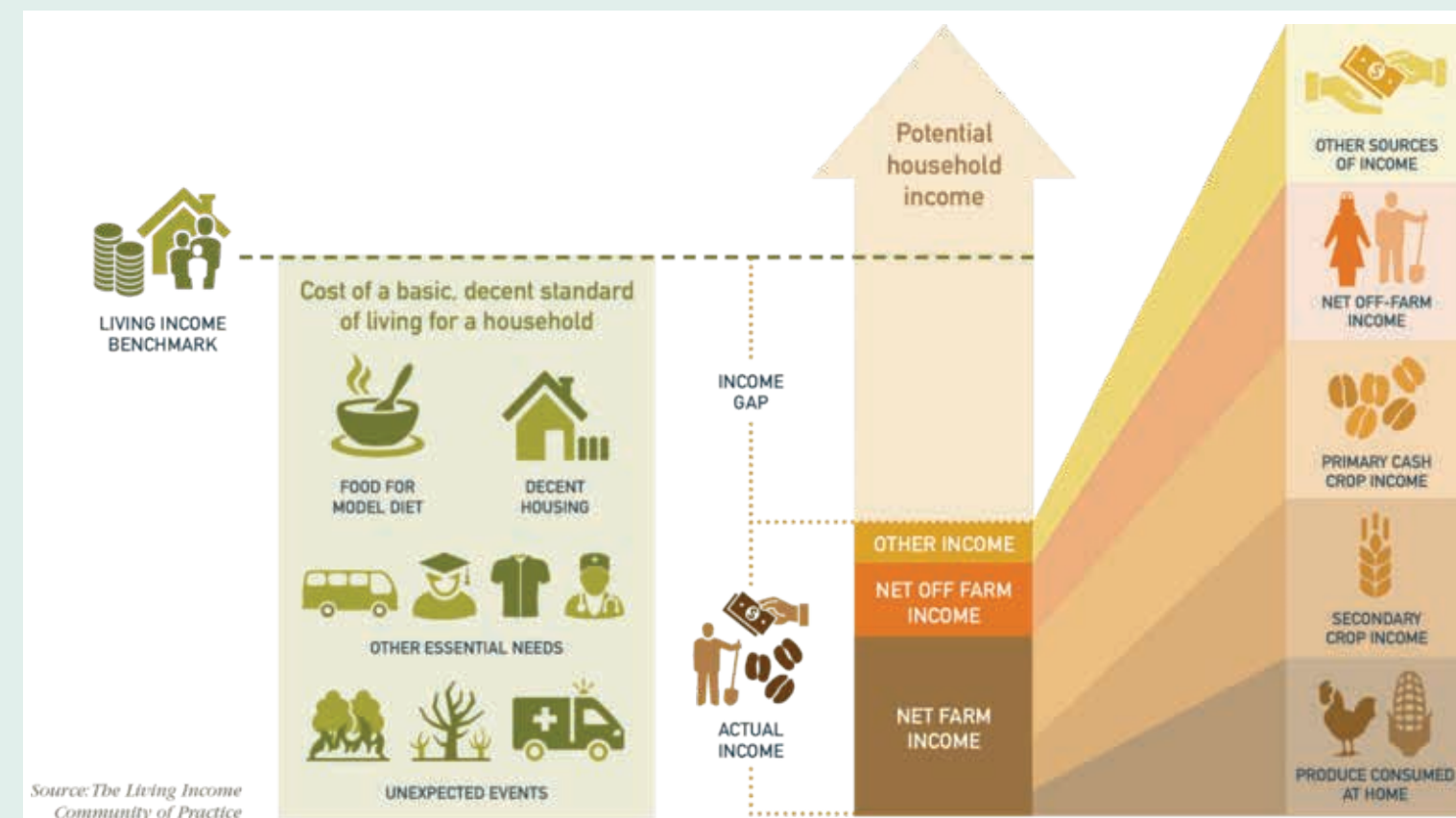


Image: Living Income benchmark

household's current income and what they would need to earn to have a living income as illustrated in the model.

Given that cocoa doesn't provide a year-round income, and especially in the past years has shown a high level of volatility, it's of critical importance to boost the household resilience by generating additional sources of income and increase the percentage they represent of the overall household income.



Evidence-Based Approach

The EnRoute project offered three intervention packages designed around the main drivers of household wellbeing: agricultural productivity, income diversification, labour availability, cost of living, and gender-equitable decision-making.

Three groups, totalling 599 farmer households spread over 25 communities, each received a specific support package over the course of two years:

- 1. Services Only:** Pruning and coaching, village savings and loan associations (VSLAs), Gender Action Learning System (GALS), and basic financial management.
- 2. Cash & Empowering Better Decision-Making (EBDM) training:** Two unconditional cash transfers per year and household decision-making training.
- 3. Cash & Services:** Packages 1 and 2 combined.

Using a robust methodology the KIT Institute performed a base- and endline assessment to evaluate the impact of the intervention packages and generate key learnings. To effectively measure if the results for each group were statistically relevant the project also included a control group of 188 households spread over 7 communities that didn't receive any of the three packages.

Interventions	Intervention 1 Cash Only	Intervention 2 Cash and Services	Intervention 3 Services Only	Control Group
Communities	7	8	10	7
Households	200	200	199	188
Activities	Cash • Mobile Money Enrolment • Digital Cash Transfer €200 per year • Better decision-making	• Mobile Money Enrolment • Digital Cash Transfer		• No activities
	Services	• Pruning groups • Agroforestry sensitization • Cocoaching • Shade tree planting • Cookstove distribution • VSLA-CHILD set up including GALS • Income Generating Activities • Energy or water need identification	• Pruning groups • Agroforestry sensitization • Cocoaching • Shade tree planting • Cookstove distribution • VSLA-CHILD set up including GALS • Income Generating Activities • Energy or water need identification	• No activities



Meaningful impact

The outcomes of EnRoute showed that all pathways had a demonstrably positive effect on household income and resilience in cocoa-growing communities. The strongest gains in resilience and diversification occurred when agricultural support and community-based services (including VSLA-GALS) were paired with cash transfers.

At the farm level, pruning groups and individualised coaching helped to improve productivity and lower production costs. Pruning support and labour-saving services allowed farmers to manage their farms more efficiently and reduced the prevalence of black pod disease and the need to apply pesticides.



Before we started pruning, my one-and-a-half-hectare plot used to produce only two bags of cocoa each season. This year looks more promising, and my well-pruned plot could potentially yield up to twelve bags. With the extra money I have increased my livestock from 2 to 16 sheep. I also bought a tricycle, which I now rent out. With this income, I've been able to pay for the schooling of my 8 children and take care of my farm. Looking ahead, I hope to purchase 2 or 3 more tricycles to further increase my income.



A cocoa farmer participating in EnRoute

For many households, the cash transfers helped cover urgent expenses such as school fees or labour, while loans from VSLAs created opportunities for longer term investments. Several households combined loans from their VSLA with the cash transfers and used the money to expand their small businesses.

Training in Empowering Better Decision-Making also emerged as a key driver of improved planning and household decision-making.

Holistic Approach

By combining VSLA access, pruning, individualised coaching, cash transfers, and financial management training, families were better able to plan beyond immediate needs and invest in both their cocoa farms and additional income generating activities.

These outcomes are well-aligned with the findings from the endline evaluation of phase two of the community development project with Save the Children in Côte d'Ivoire. The more holistic the approach, combining a set of interventions to support households, the more impact can be generated.

The key findings from the EnRoute pilot project are invaluable and will support us in informed decision-making as we continue on our journey to implement an integrated, holistic sustainability program aimed at driving positive impact for farmers and communities in our supply chain and beyond.



CASE STUDY

FROM COCOA WASTE TO CLASSROOM MATERIALS

Piloting a circular economy in Ghana to support farmers, access to education for children and the environment

Farmers cultivate cocoa to sell the cocoa beans. But the cocoa pods contain many by-products that can generate additional value. In Latin America many of these by-products are already being capitalized, in West Africa the potential is still very much underutilized. Things are changing for the positive though with various initiatives being launched. Ferrero is a strong supporter of these initiatives such as **cocoa juice** and **biochar** as they can contribute to generate additional income for farmers and thereby further close the gap to a living income and can also have positive impact on the environment.

One of the by-products is the **cocoa pod husk**. The Ghana cocoa sector generates annually about 850,000 tons of cocoa pod husks. After the removal of the cocoa beans, the standard practice of cocoa farmers is to leave the husks on the ground to decompose and transform into a natural fertilizer. Using the organic waste this way is of course a valuable attribution. Much more can be done though with the cocoa pod husk and applying a diversified approach can be more beneficial from an economic, social and environmental perspective. Biochar has already been mentioned. Ferrero is also supporting an innovative pilot launched in Ghana to transform cocoa pod husks into eco-friendly building materials and using these materials to produce school furniture and classroom infrastructure creating a circular economy.

The pilot “From Cocoa Waste to Classroom Materials” is led by the Material Innovation Center (MIC) and involves our supplier Sucden and other partners.



Image: Cocoa husks on the ground

It builds on a feasibility study performed during 2023 and 2024 and was co-financed by Ferrero, the Luxembourg Development Cooperation Agency (LuxDev)¹¹, and the Foundation Material Innovation Center. The study was conducted by MIC, Luxemburg-based Carine Oberweis and local Ghanaian partners, while technical R&D was performed by SAM Panels in the Netherlands.

For the pilot approximately 1,100 kg of cocoa pod husks were sourced and then dried, ground, and used as raw material to convert into 5,727 m² of 100% bio-based and 100% recyclable panel material. The panels are produced without toxic additives and are a high potential alternative to conventional wood- and chemical-based products.

¹¹ LuxDev provided co-funding through its Business Partnership Facility.



The initial target is to transform these panels into 300 double school desks and seats, providing seating for 600 children, with remaining material available for additional classroom applications such as partitioning walls. The school furniture will be distributed amongst five cocoa farmer communities. Halfway the pilot, 50 double desks and seats have already been produced and delivered to schools.

Beyond material innovation, this project directly supports farming communities. Farmers are paid for supplying cocoa by-products and they can use this as an opportunity to diversify their income. Local carpenters and craftsmen were also trained and engaged in assembly and production, strengthening local skills and broadening employment opportunities. And schools are supported with much needed furniture. Not surprisingly, the first deliveries of school desks were met with strong community engagement.

The pilot setup required cocoa biomass to be shipped to the Netherlands for panel production and then back to Ghana, which is not scalable and truly sustainable. Localizing production is key to reducing cost, enabling scale and making real impact while strengthening manufacturing capacity in Ghana. This approach allows the model to expand more efficiently and reach more farmer communities, turning local residuals into local materials, made by local people, for local impact.

The next step is to set up multiple small-scale facilities in Ghana, each processing approximately 5,000 MT of dry biomass annually. Based on current calculations, one facility can produce approximately 2.5 million m² of panels

per year generating a relevant reduction in greenhouse gas emissions compared to conventional practices¹².

This project has proven that cocoa residuals can be transformed into durable, functional building materials. It demonstrates how circular innovation can simultaneously create a positive economic, social and ecological impact.



Image: Children working on school desk made from cocoa husks

¹² Using LCA values of ~0.55 kg CO₂e/m² (third party verified) this equals approximately 2,86 t CO₂e, compared to 6,82 t CO₂e for a conventional wood- and chemicals based panels baseline (~1.31 kg CO₂e/m²), indicating a potential saved difference of approximately 3,96 t CO₂e per year, per facility.



PILLAR II: HUMAN RIGHTS AND SOCIAL PRACTICES

Contribute to the holistic wellbeing and development of children in cocoa-growing communities by addressing and reducing the risk factors for child labour in cocoa farming.

Commitment: Protect children and provide joyful growth

We are strongly committed to respecting and promoting human rights throughout the global supply chain and supporting families to enable joyful growth for children. It is critically important that children are not involved in any form of child labour, particularly its worst forms, as this can seriously damage their physical and mental wellbeing. Children also need to have access to quality education, good nutrition and basic necessities like clean drinking water.

Although it is much less prevalent, we also recognise the issue of adult forced labour in the cocoa sector, and we commit to taking action together with our key stakeholders to mitigate and prevent it.

How is Ferrero working towards this commitment?

The first critical step is to have reliable Child Protection Systems in place that can 1) identify households at risk of child labour in our cocoa supply chain; and 2) remediate any cases that are identified. The objective is to integrate the systems we implement in our cocoa supply chain into the broader national systems. For more information on our **integrated child protection** model see pages 11-14 in our 23/24 report.

In addition, together with our strategic partner Save the Children and suppliers, we are implementing a holistic Community Development approach that has a strong focus on child labour prevention in high-risk communities in our cocoa supply chain.

In our Cocoa Programme we also have a strong focus on women's empowerment, acknowledging the critical role of women as agents for economic, environmental and social change, and for ensuring child protection.

We strive to contribute to positive change across the entire cocoa value chain, so beyond our own supply chain. We do this through multi-stakeholder platforms such as the **World Cocoa Foundation**, the **International Cocoa Initiative** and collective initiatives like the **Child Learning Education Facility** (CLEF) in Côte d'Ivoire and a System Change Approach for Learning Excellence (SCALE) in Ghana.



Image: Children studying cash crops in computer center



What steps have been taken in the 2024/25 growing season?

Last season, 100% of our dedicated farmer groups were covered with a CLMRS or equivalent system.

In addition, we informed 190,000 people about children's rights, and 133,000 people about adult forced labour; we covered 152,000 households and 233,000 children through our child protection systems, and helped children obtain almost 2,500 official birth certificates bringing the total since 18/19 to 16,000.

To improve education prospects, we constructed or renovated 12 schools and 4 school canteens in 2024/25, bringing the total respectively to 155 and 110 since 2016/17, and provided 16,000 children with school kits. We supported 473 youth with vocational training or apprenticeships in 2024/25, bringing the total to 1,262 since 2018/19.

We are also a partner of the **Child Learning and Education Facility (CLEF)**, a collective initiative between the Ivorian government, companies and foundations that aims to promote access to quality education to over 4 million children in cocoa-growing communities in Côte d'Ivoire. After a slow start things have started to pick up under leadership of the Minister of Education and the project is delivering on its objectives. In 2025, 74% of planned activities have been completed up from 53% in 2024: 10,500 teachers have been trained in evidence-based pedagogical techniques, 4,500 out-of-school children in remote rural areas enrolled in formal education through bridge classes, three new schools have been completed, and a school feeding pilot providing meals to nearly 30,000 children across 120 schools has been launched.

In 2025, Ferrero joined a new public-private partnership launched in Ghana called **System Change Architecture for Learning Excellence (SCALE)**. The initiative mobilizes up to \$120 million to strengthen Ghana's education system and improve learning outcomes for children through evidence-based interventions. The consortium includes the Ghanaian Government, philanthropic organisations, and other cocoa industry partners including Ferrero.

SCALE builds on the previous success of the **Ghana Accountability for Learning Outcomes Project (GALOP)** supported by the World Bank, and will contribute to expand it further with the aim to scale-up differentiated learning to more than 15,000 public schools, reaching approximately 2 million children.

Of critical importance has also been the further scaling of Village Savings and Loans Associations (VSLA), bringing the total active VSLA groups by 2024/25 to 2,359 (+18% vs last year), involving more than 70,000 members, of which 73% women, that together saved more than 7 million euro in 2024/25, of which 4.1 million euro was loaned to set up small businesses, pay school fees, among other activities.

We also established 1 new vegetable greenhouse bringing the total to 13, and constructed or renovated 18 water pumps in, bringing the total to 21 since 2012/13.

Finally, we continued our five-year holistic Community Development project (2021-2025) with **Save the Children**, involving 65 communities in the Haut-Sassandra region in Côte d'Ivoire (see p. 12-13 for results of the fifth year).



STRATEGIC PARTNERSHIP OF FERRERO AND SAVE THE CHILDREN

The holistic five-year Community Development project targets 37,000 direct beneficiaries (15,000 children) and 90,000 indirect beneficiaries (49,000 children) in 65 communities in the Haut-Sassandra region in Côte d'Ivoire. It started in 2021 and builds on the successful three-year project with **Save the Children** in 20 communities in the Nawa region.

The approach is based on four pillars: Child Protection, Community Development, Access to Education and Adolescents & Youth Empowerment. To ensure coordinated action and drive impact on the ground, Save the Children works closely with the local and national authorities as well as with other key stakeholders like the International Cocoa Initiative (ICI), the Jacobs Foundation and the World Cocoa Foundation.



Save the Children

Haut-Sassandra



Map Côte d'Ivoire





FIFTH YEAR RESULTS PROJECT IN HAUT-SASSANDRA REGION

In 2025, we continued implementing activities in all 65 communities.

Progress has been made along the pillars reaching in the fifth and final year 2.047 direct beneficiaries including 800 children. Total direct beneficiaries reached for the whole duration of the project are **27.970** people, including **9.894** children. Some key highlights:



Image: Save the Children project

PILLAR	ACTIVITIES	YEAR 5	CUMULATIVE
 Improving child protection	Social Centers ¹³ revitalized	Target already completed	8
	Child Protection Committees	Target already completed	65
	People trained and sensitized on children's rights	4,951	59,712
 Community Strengthening	Community Action Plans (CAP)	Target already completed	65
	VSLA groups established	Target already completed	65
	VSLA members	1,751 (76% women, 24% men)	1,751 (76% women, 24% men)
	VSLA members with an IGA	1,230 (70%)	1,230 (70%)
	People trained on contamination and water management	Target already completed	456
 Increasing access to Education	Bridge classes (re) built and opened	0	66
	Number of bridging courses activated/completed	0	168
	Out-of-school children (9-14 y.o.) enrolled in bridging classes	0	3,502
	Teachers trained on Literacy and Numeracy Boost methodologies	0	279
	Communities supported with operating community canteens	0 new community canteens opened (and 0 canteen staff trained)	57 community canteens opened (and 112 canteen staff trained)
 Empowering Adolescents and Youth	Number of A&Y participating in training on life-skills, decent work, children and A&Y rights	395 (39% girls; 61% boys)	533

¹³ Social Centres are managed by the local authorities and responsible for managing child labor cases. When Save the Children identifies cases of child labor in the communities they refer them to the Social Center for case management.



FROM COMMITMENT TO IMPACT: HOLISTIC COMMUNITY DEVELOPMENT RESULTS (2021–2025)

After completion of the five-year project a thorough evaluation has been performed to compare the endline with the baseline results collected at the beginning. The results show a very positive impact in various areas (see graph on the right). Most notable is the reduction in child labour of almost 50% for the age group 5-17 years, as the protection of children in cocoa-growing communities is the core objective of the project.

We've also identified a very positive change in the household income situation, mainly driven by income diversification which was strongly supported through the creation of VSLA groups in all 65 communities.

What is truly assuring is that the evaluation found that the holistic approach strongly contributed to reducing the risk factors of child labour and improving community, family and child well being, providing evidence of the value of integrated, multi sectoral programming.

Stories like those of Ariane and Xavier, on the following pages, demonstrate how the project has really impacted the lives of people in the communities, young and old.

Later in 2026 a more detailed Impact Report will be published with the results of the holistic community development project in the 65 communities in Haut-Sassandra region during the period 2021-2025.

¹⁴ During the baseline assessment the most vulnerable families were identified in the 65 project communities. For these households information was collected on the number of out-of-school children, household income, disabilities, and child labour. The combination of these datapoints is called 'child labour exposure'. At endline, the households were assessed on the same datapoints in order to compare changes in household-level child labour exposure during the project period.

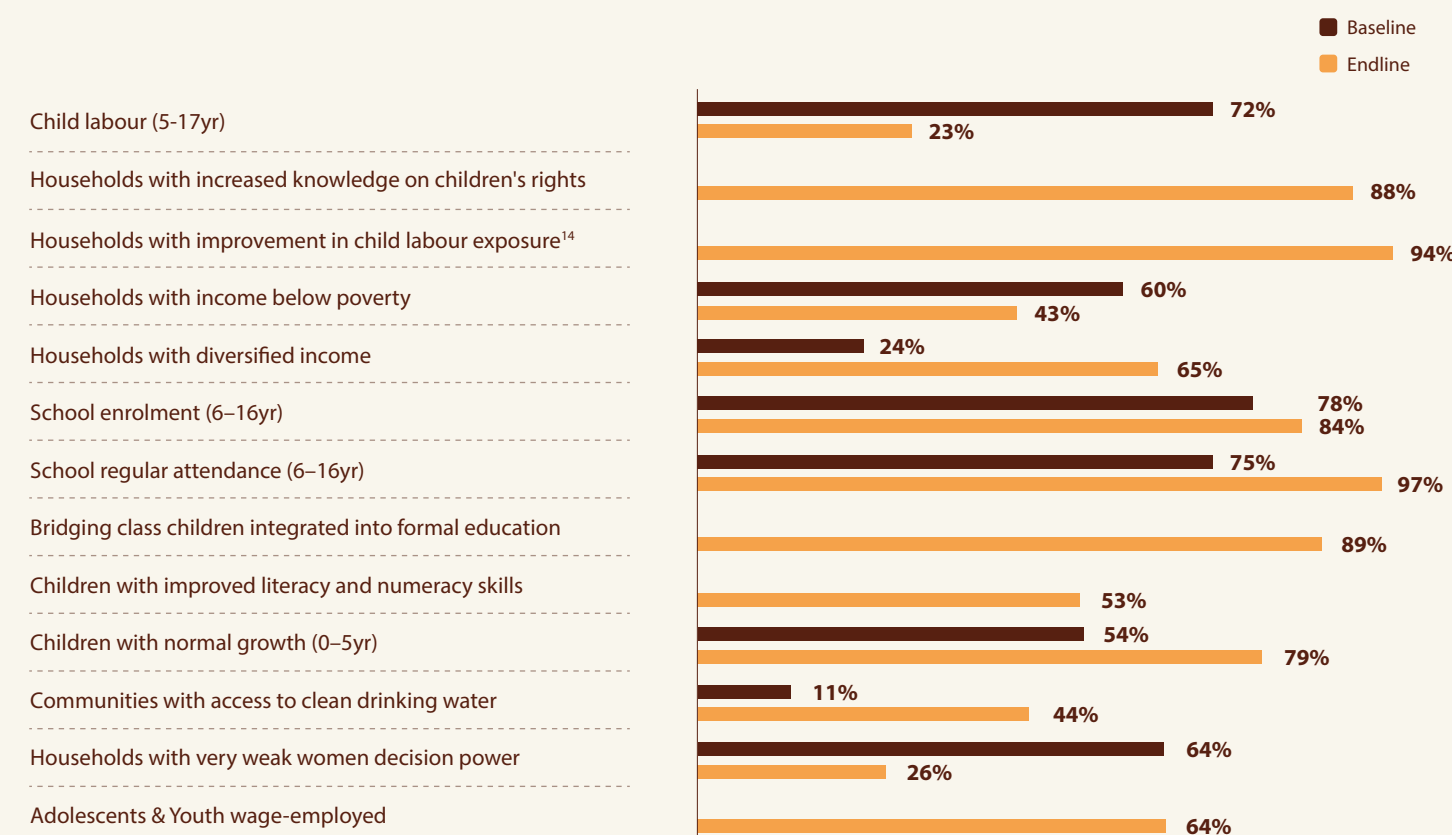
“Everything is linked, because everything works together. In fact, when you take the VSLAs, all that money that parents put together is to meet the needs and well-being of their children, to be able to enrol them in school.”

Male caregivers, department Zoukougbeu

“After just a few months... there were children who learned how to read and write.”

Bridging class facilitator, department Issia

IMPACT RESULTS 2021-2025





RENEWAL STRATEGIC PARTNERSHIP AND SCOPE EXPANSION

The positive outcomes have inspired Ferrero and Save the Children to renew the holistic community development project with another five years, from 2026-2030. During the next phase the scope will be further expanded. Thanks also to the **newly-awarded funding from the Italian government**, the project will cover 150 new communities, expanding total reach from 85 to 235 communities.

The project will also move to new geographical areas in Côte d'Ivoire. From the total 150 communities, 80 communities have been selected in the regions Tonkpi and Cavally in the Montagnes district (see map). The remaining 70 communities are in Haut-Sassandra region.

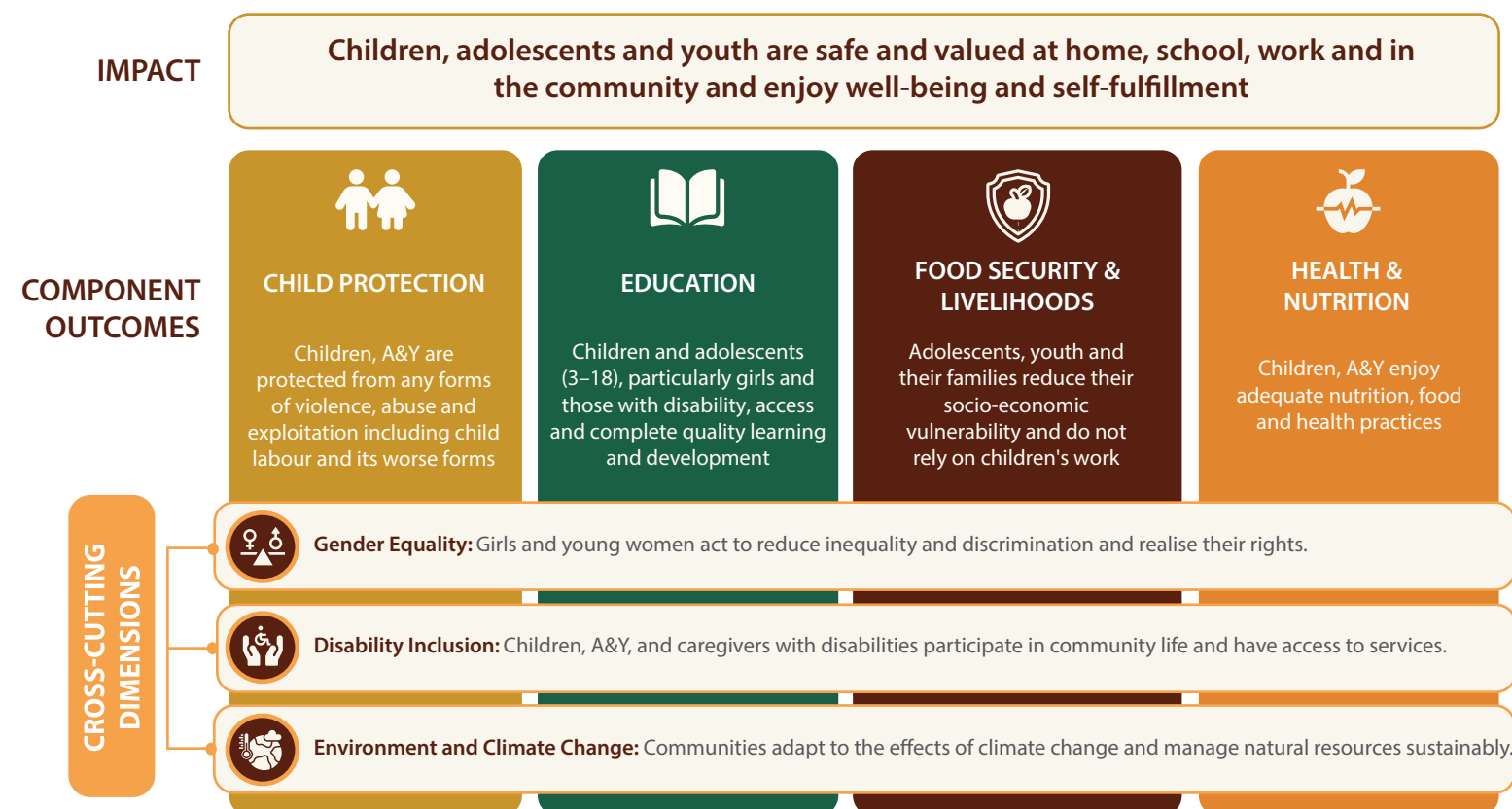
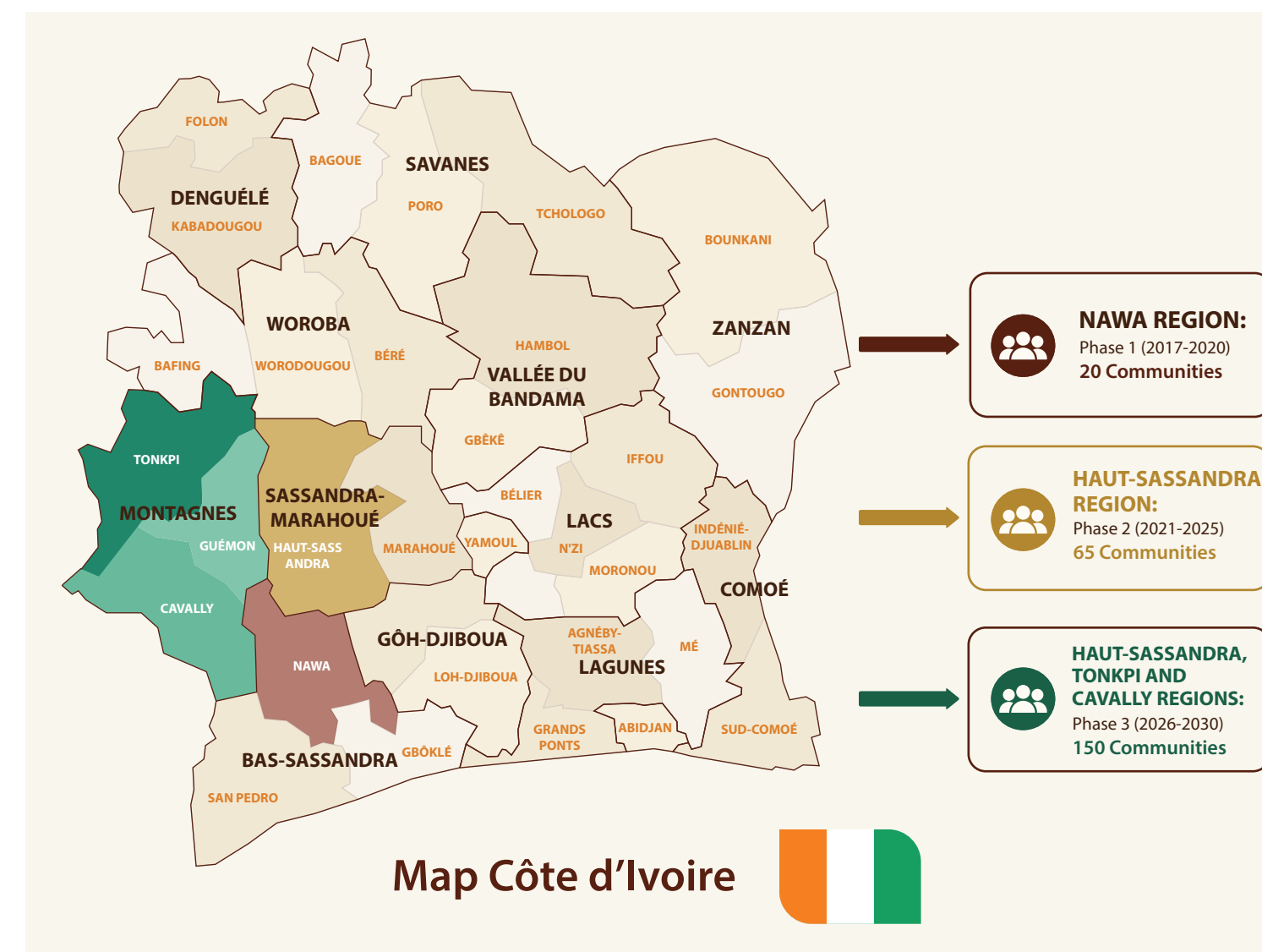


Image: Integrated framework of the holistic community development project for the period 2026-2030

In addition to the expansion of the project scope, important improvements have been made to further strengthen the framework of the holistic community development project with the aim to ensure positive impact on the people in the selected communities. Building on the positive results of the health outreach project in Ghana (see page 19-20) and vaccination campaigns in Côte d'Ivoire, access to healthcare has been added. So has a stronger focus on climate change and environmental protection, building on the learnings from the Cocoa and Forests Initiative.





CASE STUDY



Save the Children



Introduction



PILLAR I:
Sustainable
Livelihoods



PILLAR II:
Human Rights and
Social Practices



PILLAR III:
Environmental
Protection



PILLAR IV:
Supplier
Transparency



Glossary

CREATING OPPORTUNITIES FOR THE YOUNG GENERATION

Empowering adolescents and young adults to develop their potential and improve their lives economically and socially.

Africa has the youngest population in the world. Côte d'Ivoire is no exception to this with 75.6% under the age of 35. The Ivorian government considers young people to be a huge asset for national development and had designated 2023 as the "Year of Youth". Several national strategies have been developed to structure and formalize the participation of young people in national development. Despite these policy efforts, structural barriers continue to undermine the wellbeing and prospects of adolescents and young adults, resulting among others in a large percentage of unemployed.

Ferrero and Save the Children recognize the importance of the younger generation in cocoa growing communities and the need to improve their lives economically and socially, starting from early childhood and even beyond adolescence. We are committed therefore to empower them to develop their potential with relevant skills and expertise and support them to create opportunities for themselves. When designing the second phase of our holistic community development project we decided to add "Empower Adolescents and Youth" as fourth pillar with activities fully aligned with the government strategies and to help strengthen them.

The first step in the process was to perform a robust baseline assessment among adolescents and young adults between the age of 12-24 to understand their situation, needs and desires for the future. There was also a specific focus on obstacles young women face in the rural communities compared to young men in terms of opportunities. Total 972 people were interviewed. Save the Children also undertook a market study to identify opportunities in the employment market.

Based on the outcomes tailored Life Skills trainings were developed, as well as three innovative pathways to support vocational training, access to employment and business start-up.

At the end of the fifth year, we're very proud of the results achieved.

Youth Engagement and Access to National Programmes

460 young people have registered for government youth promotion programs, some examples:

- 6 youth admitted to the national emergency food production programme (2PAU-CI)
- 5 youth enrolled in horticulture/market gardening training (Regional Council)
- 45 youth registered with the National Youth Employment Agency for coaching (CV writing, interview preparation, IT skills, public speaking)
- 1 young woman admitted to an electrical and construction programme at Daloa vocational high school
- 10 youth from Issia awarded apprenticeships
- 23 youth admitted to the national volunteer programme in Zoukougbeu
- 12 youth registered for salaried employment pathways via "Agence Nationale Emploi Jeunes"
- 45 youth (35 boys, 10 girls) enrolled in skills training at the Daloa Civic Service Center ¹⁵

¹⁵ Agropastoralism, wood and aluminium carpentry, arts and crafts, masonry and tiling, building electricity, plumbing, metal construction, landscaping, pastry-cooking, building painting.



Apprenticeship and Entrepreneurship Support

For youth unable to access national programmes, the project negotiated intensive apprenticeships with local master artisans and provided trade kits (hairstyling, mechanics, sewing, etc.).

The stories of Ariane and Xavier illustrate how their lives have been impacted through the pillar “Empower Adolescents and Youth”.

Ariane’s Journey to Entrepreneurship

Ariane is a 24-year-old young woman from a community in the Issia Department. She comes from a large household of fifteen children, where limited resources shaped her upbringing and significantly constrained her access to education and economic opportunities.

After failing the lower secondary school certificate (BEPC) examination in 2022, Ariane was forced to drop out of school. Without a stable source of income and with limited prospects for further education, she found herself in a situation of heightened vulnerability. As a young mother of a seven-year-old child, she faced strong economic and social pressures and was at risk of long-term exclusion from sustainable livelihood opportunities.

Despite her precarious situation, Ariane possessed a valuable asset: several years of informal experience in women’s hairstyling. Like many young rural women, she had practical skills and entrepreneurial potential, but lacked start-up capital, business management knowledge, and confidence in her ability to launch and sustain an enterprise.



Image: Ariane working in her hair salon



Before, I did not believe I was capable of opening my own salon despite my experience. Today, thanks to the training I received, I am confident, I make better decisions, and I can provide for my child through my work



Ariane



Through a profiling and enrolment exercise conducted under the project in collaboration with public institutions – including vocational training services, youth authorities, and the Chamber of Trades – Ariane was identified as a priority beneficiary and referred to an economic insertion pathway adapted to her profile.

She first participated in Life Skills for Success training, which marked a decisive turning point. The sessions strengthened her self-confidence, communication abilities, stress management skills, and decision-making capacity. This personal development component was instrumental in enabling Ariane to project herself as an entrepreneur. Building on this foundation, Ariane received additional training in financial education, income and expenditure management, savings, business plan development, and marketing techniques. These competencies equipped her with the tools needed to structure her activity, manage cash flows, and plan for growth.

Through a multi-sectoral meeting organized with the Chamber of Trades, Côte d'Ivoire PME, and technical government services, Ariane gained exposure to existing economic opportunities and the steps required to formalize a business. Drawing on her experience, she chose to pursue an entrepreneurial path in hairdressing. To support the launch of her activity, the project provided Ariane with a complete professional hairdressing kit, and she also benefited from technical assistance from the Chamber of Trades, mentoring, and regular follow-up by the project team.

Four months after completing the training and support process, Ariane opened her own women's hair salon, offering hairdressing services (braiding, extensions, hair treatments) alongside the sale of cosmetic products. Her

business currently generates an average monthly income of 50,000 FCFA, enabling her to cover her basic needs, provide for her child, and significantly reduce her economic dependence.

Beyond income generation, the project has contributed to profound personal and social change. Ariane has gained self-assurance, established professional relationships with her clients, and manages her business with discipline.

She is now recognized as a positive role model within her community and has begun training an apprentice, thereby contributing to skills transmission and local employment creation.

While challenges remain – particularly access to sufficient working capital, local competition, and the cost of inputs—the foundations established provide a realistic pathway for continued growth. Ariane now aspires to expand her salon, increase her turnover, and recruit additional apprentices.

Xavier's Path to Economic Autonomy

Xavier is a 26-year-old young man from a community in department Vavoua. Born into a large household with limited economic resources, Xavier faced early school dropout and a lack of professional opportunities – conditions that placed him at high risk of long-term vulnerability.

After leaving school in the third year of secondary education for economic reasons, Xavier had no viable alternatives. Like many young people in rural cocoa-producing areas, he joined his family's agricultural activities, spending his days guarding his father's plantations without formal training, income stability, or prospects for personal development.



This situation exposed him to chronic unemployment and social and economic marginalization. Through community awareness sessions organized by Save the Children, Xavier was identified and referred to Life Skills for Success training. Although initially disengaged, he progressively developed confidence, self-discipline, and motivation. The training enabled him to redefine his aspirations and consider a sustainable professional pathway.

A decisive opportunity emerged when institutional partners, including the Agency for Youth Employment and the Ministries of Agriculture and Technical Education, launched a four-month certified horticulture training programme in Yamoussoukro. With the support of his family and project stakeholders, Xavier was selected to participate. During the training, he acquired solid technical competencies in horticultural production, agricultural best practices, crop management, and yield optimization under the supervision of agronomists. Upon completion, he obtained a certificate in horticulture, significantly strengthening his employability and entrepreneurial potential.

As part of the project support package, Save the Children provided Xavier with a complete agricultural kit (inputs, seeds, and tools) and individualized assistance to develop a business plan. With this support, he launched his own market gardening enterprise on a quarter-hectare plot in his community, cultivating tomatoes, eggplants, okra, and cucumbers. Despite significant constraints – particularly limited access to water – Xavier successfully applied the techniques acquired during training. His first harvests were commercialized successfully, generating 50,000 FCFA from the sale of three bags of cucumbers, enabling him to reinvest and gradually expand production.

Today, Xavier contributes meaningfully to his household's expenses and is on a clear path toward sustainable economic autonomy. He has become a role model in his community, demonstrating how targeted skills development, combined with structured support, can transform vulnerability into opportunity.



Image: Xavier working on the farm



Before, I had no prospects. Today, thanks to the training and support I received, I have a profession, I earn an income, and I can support my family. My goal is to grow my activity and become a recognized agricultural entrepreneur.



Xavier



CASE STUDY

COMMUNITY-BASED HEALTHCARE OUTREACH PILOT IN RURAL GHANA

In 2023, we launched a community-based healthcare outreach pilot in eight communities in the Sefwi-Anhwiaso-Bibiani district, located in Ghana's Western North region. The objective was to provide high-quality, preventive and curative healthcare to rural communities that due to their remote locations often have no access to healthcare.

The pilot was set up in collaboration with the St. John of God Hospital in Asafo and with support from NGO HospitaalBroeders. Also involved were our supplier Cargill and their implementing partner for social activities, CARE. They worked closely with Ghana Health Services to ensure proper coordination with the local authorities and avoid duplication with activities performed through the national health system.

Third year results

Over the period of nine months the eight communities received monthly healthcare visits from the medical team, each community being reached four times. During the third year almost 6,000 children, young mothers, cocoa farmers and seniors went through the system of cyclic visits by the medical team. Women and children represented 80% of the beneficiaries.

Because of the huge attendance, the hospital increased the personnel for the general health screening. Also, medicine for the program was increased both in quantities and in types/varieties in order to cater for the added conditions and also the large numbers in attendance.





Over the course of the pilot, each year new components have been added. In year two, obstetric ultrasound services were introduced for pregnant women and urine dipstick tests to detect kidney issues. In year three, a mental health component was added to address the growing emotional and psychological needs within the rural communities.

The learnings from the three-year health outreach pilot have been extremely valuable. Accessibility to healthcare increased, the people’s understanding of their health needs improved, and the physical and mental well-being of the community members has been positively impacted. The high attendance levels during the visits from the medical outreach team also demonstrated that the community engagement was very strong. Another positive effect that was observed, was that the strong community engagement also contributed positively to the relationship of Cargill and CARE with the communities and the engagement level from community members in the activities they implemented.

Based on the positive outcomes of the pilot, it has been decided to add access to healthcare as a key component in the holistic community development approach implemented by Save the Children in Côte d'Ivoire starting from 2026.

HEALTHCARE OUTREACH PROJECT PILLARS	EXECUTED ACTIVITIES	2023 (# PEOPLE)	2024 (# PEOPLE)	2025 (# PEOPLE)
 General health screening and treatment	Health talks, eye consultation, malaria, typhoid fever, HIV/AIDS, hypertension, diabetes, obesity, nutritional counselling, worms infestation, physical examination	1,488	1,635	1,731
 Child welfare clinic	Registration of new babies, counseling, immunisation, physical examination, weighing, health education, family planning	780	794	783
 Pregnancy school & Home visits	Pregnancy school: birth preparedness and complication readiness plan, importance of support person, dietary counselling	270	268	279
	Home visits: care of the aged, health education, wound dressing, diabetes and hypertension management	160 (home visits) 711 (people served)	517 1,003	577 1,212
 School health & Adolescent corner	Hygiene education, menstrual hygiene, sex education, sexually transmitted infections education, oral care, adolescent needs	2,493	2,397	1,872
TOTAL PEOPLE REACHED		5,742	6,097	5,877



PILLAR III: ENVIRONMENTAL PROTECTION

In partnership with our suppliers, actively protect standing forests and/or restore natural forest areas and support farmers to convert to agroforestry systems and become more climate resilient

Commitment: Contribute to end deforestation and promote biodiversity

The rate of deforestation and forest degradation, particularly in Côte d'Ivoire and Ghana, threatens to undermine the resilience of the cocoa sector and the surrounding environment, and accelerate the climate, biodiversity and natural resource crisis. This affects the livelihoods of the millions of smallholder farmers who depend on it.

How is Ferrero working towards this commitment?

Working with our suppliers, we're contributing to tackle deforestation and restore forest areas, and to support farmers in converting to agroforestry systems and becoming more climate-resilient. We do this through **the Cocoa & Forests Initiative (CFI)** that brings together companies and governments to act collectively and in a coordinated manner. To prevent deforestation, we aim for traceability back to farm level and use satellite monitoring to monitor potential deforestation and ecosystem conversion in our supply chain.

What steps have been taken in the 2024/25 season?

In 2024/25 Ferrero continued to achieve a high level of traceability from farm to first purchase point. We polygon mapped more than 208,000 farmers and covered 518,000 hectares with deforestation risk assessments to ensure no cocoa was sourced from protected forest areas. As a cross-cutting solution to many cocoa sustainability issues, agroforestry is one of our primary **Cocoa Charter** priorities, and links to other targets such as distribution of seedlings. To date, we have supported the development of over 216,000 hectares of agroforestry, involving a total of 114,000 farmers.

Almost 13,000 farmers have been involved in Payment for Ecosystem Services (PES) initiatives, of which 2,400 new this year. The PES initiative provides farmers with valuable resources and incentives such as financial payments, trainings, fertilisers and tools in return for their work on environmental protection and restoration.

We have also continued our support to forest restoration. In 2024/25, over 51,000 non-cocoa trees were distributed for off-farm planting. So far 5,400 ha of forest area has been restored of which 827 ha in classified forests. When combined with multi-purpose trees for on-farm planting, in total Ferrero has distributed almost 1.35 million trees in 2024/25 alone and almost 10 million trees including previous years.

To help mitigate deforestation and establish sustainable practices outside of cocoa farming, in 204/25 Ferrero also distributed 550 clean cookstoves. We first started this in the 2019/20 season and since then we have distributed in total over 13,000 cookstoves.



For more details and case studies we invite you to read our latest **Cocoa and Forests Initiative Report**



PILLAR IV: SUPPLIER TRANSPARENCY

Know where our raw materials come from and foster data management and reporting

Commitment: Ensure a transparent and compliant value chain, traceable to the farm level

Traceability has been the cornerstone of our responsible sourcing approach from the beginning. It has always been one of the key quality and sustainability pillars at Ferrero.

How is Ferrero working towards this commitment?

We work towards further enhancing the visibility of our value chain by strengthening partnerships with our suppliers and by leveraging the most advanced technology available. We are developing a cocoa-dedicated platform that gives us visibility over our entire supply chain. This will make it possible not only to trace the cocoa we source from the farm – an area where Ferrero has already made a lot of progress in the past years – but also to perform risk assessments and check compliance. Each year, we will continue to update **the public list of tier 1 suppliers and farmer groups in our cocoa supply chain** on our website¹⁶ and will publish a progress report on the implementation of our Cocoa Charter.

¹⁶ https://www.ferrero.com/int/sites/ferrero_int/files/2023-12/cocoa-supply-chain_fy2022.pdf

¹⁷ See p.9 of the **Cocoa Charter** for the full list of Standards through which we source cocoa.

¹⁸ These are farmer groups with whom Ferrero has a long-term relationship through its tier-1 suppliers.

¹⁹ Including farmer groups that are not part of Ferrero's dedicated farmer groups.

²⁰ Farmer groups have on average a 10% annual turnover of farmers. Each year newly joined farmers must be mapped and we also re-map farmers usually every 3 to 5 years to ensure the data is still valid.

What steps have been taken in 2024/25?

The total cocoa volume in 2024/25 was 205,000 metric tonnes (MT), of which 81% was cocoa beans sourced as physically traceable from farm to Ferrero plant and processed in-house. The remaining 19% were cocoa derivatives such as liquor, butter and powder, and chocolate products. All cocoa was sourced through independently managed sustainability standards such as Rainforest Alliance, Cocoa Horizons and Fairtrade¹⁷.

In 2024/25, we sourced 97% of our entire cocoa volume from Ferrero dedicated farmer groups¹⁸. Of these some were added temporarily to overcome the unprecedented sourcing challenges that continued during the 2024/25 crop due to the crop shortfalls in Côte d'Ivoire and Ghana. When considering only the farmer groups with whom we have established structural, long-term relationships through our tier-1 suppliers, 77% have been in our cocoa supply chain for three years or more, 57% for six years or more, and 7% more than 10 years. This is important as improving conditions takes time.

The traceability performance of our entire cocoa supply chain was as follows:

- 99.1% traceable to origin country
- 98.2% traceable to farmer group level¹⁹
- 98.1% traceable to farm gate if minimum GPS waypoint available
- 98.1% traceable to farm gate if minimum requirement polygon-mapped²⁰



Standards used by Ferrero in 2024/25



**Beyond
Beans**



**Blommer
Sustainable
Origins**



**Cargill
Promise
Cocoa**



**Cocoa
Horizons**



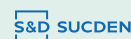
**olam food
ingredients
ofi**



**Fairtrade
Cocoa
Program**



**Guangala
certified¹⁸**

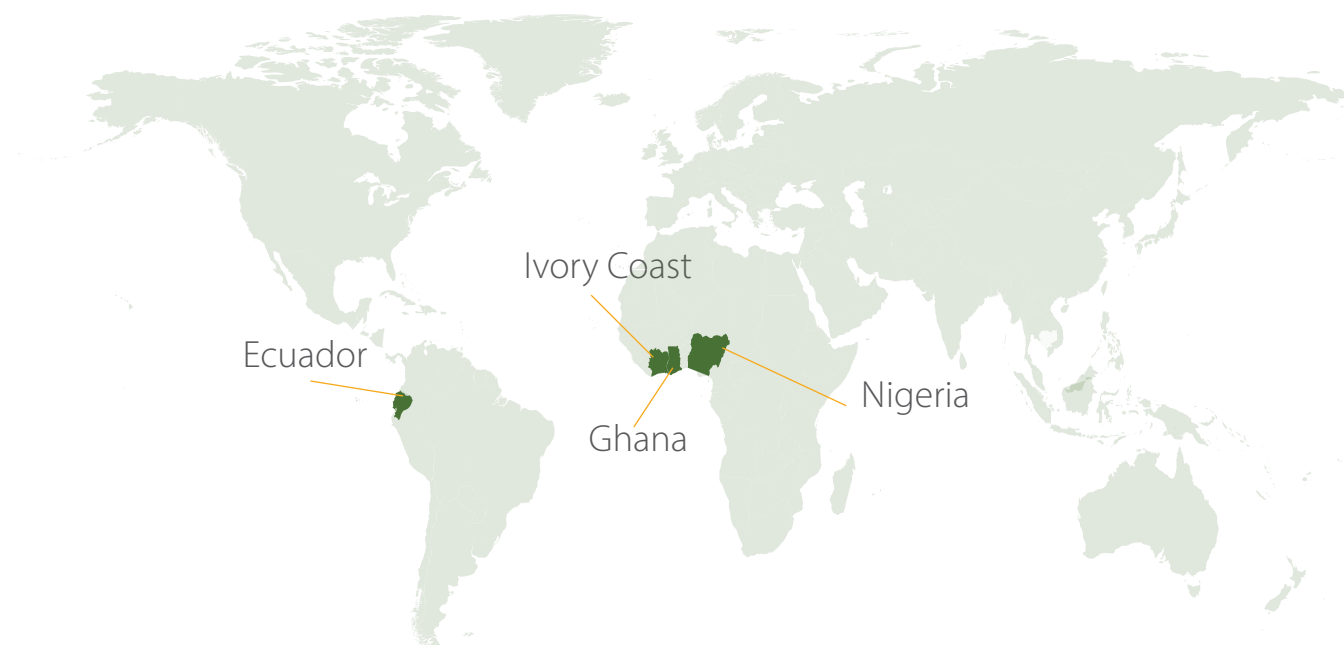


**Sucden
Traceable**



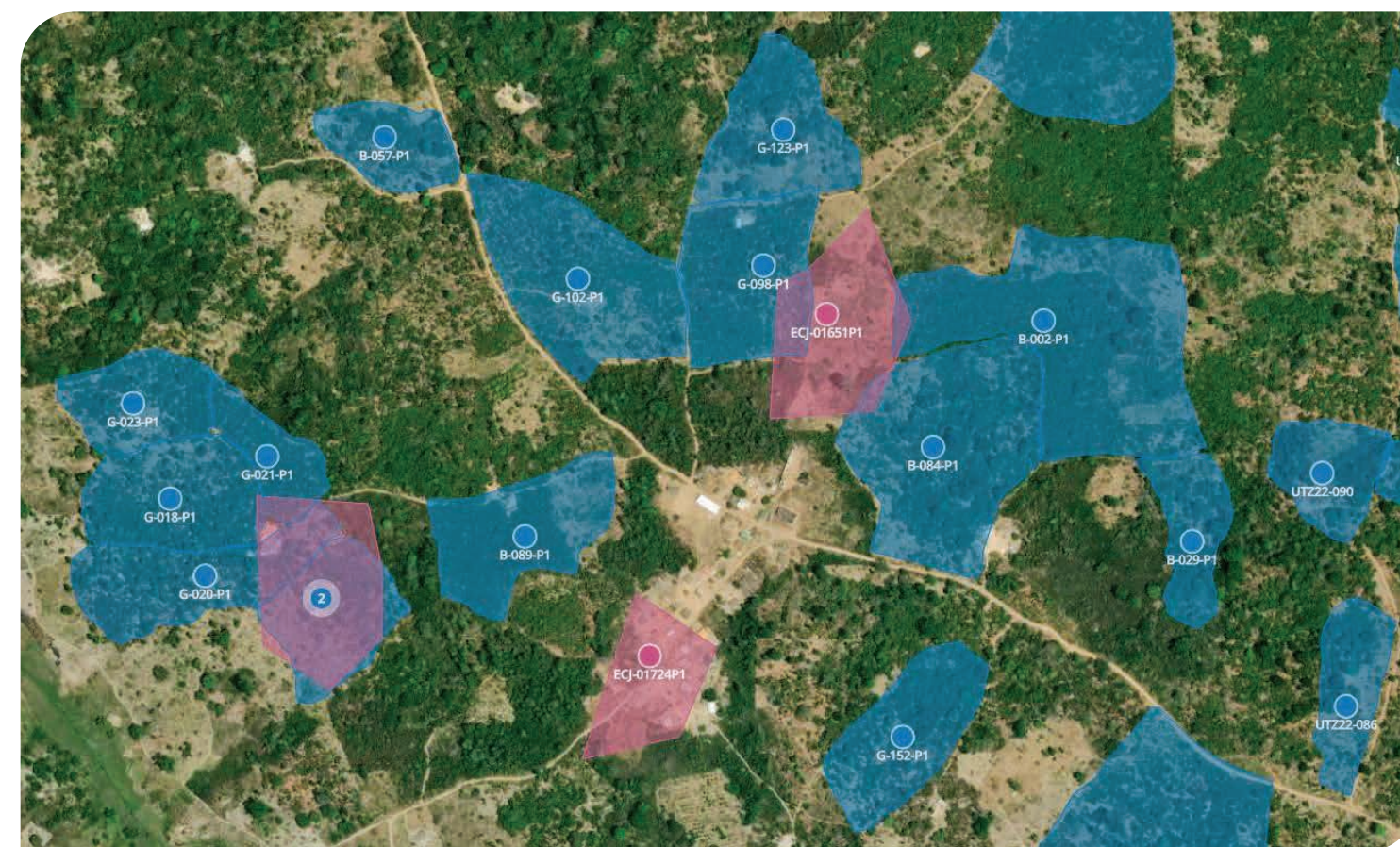
**Rainforest
Alliance**

Ferrero cocoa sourcing origins



Sourcemap

We continue to partner with **Sourcemap**, a leading provider of supply chain mapping, which provides a comprehensive platform to visualize supply chains and enhance traceability, further strengthening our efforts in supply chain transparency. Through Sourcemap's platform we are collecting key data on social and environmental practices, validate our value chain through data science and ensure that performance is continuously improving.



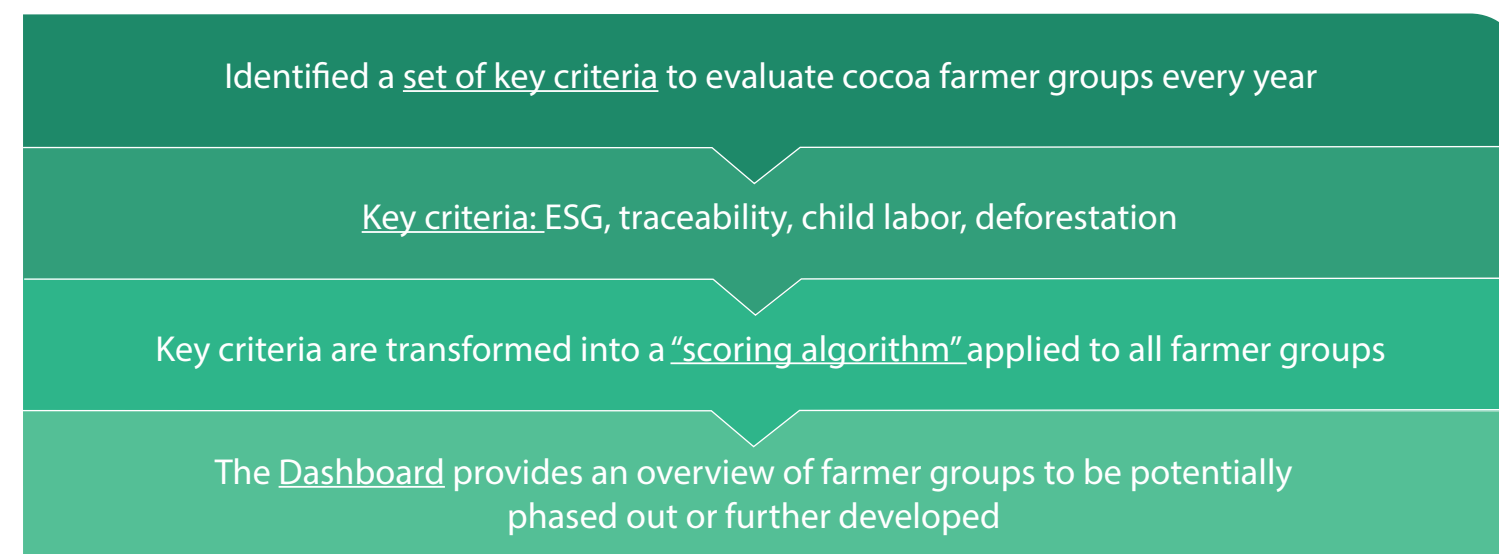


FARMER GROUP RISK ASSESSMENT

A critical element of our responsible sourcing approach is to perform regular risk assessments in order to identify potential risks in our supply chains and where necessary take appropriate action.

For cocoa a key focus is on the farmer groups we source from through our Tier-1 suppliers as they play a critical role in our supply chain. We have developed a methodology for a risk assessment on the cocoa farmer groups that we will conduct annually. As part of our commitment to transparency, we will share the main results and follow-up actions in our annual Cocoa Charter Progress Report.

Methodology



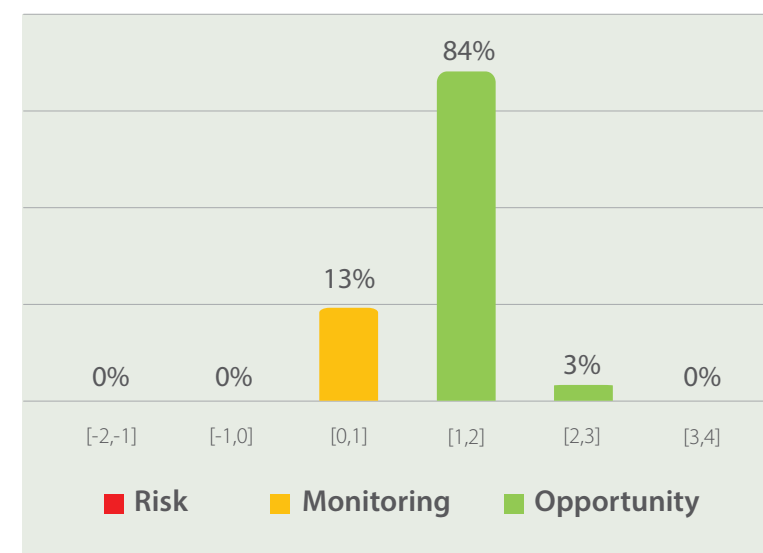
- Risk - to monitor closely, potentially phase out
- Monitoring - to be monitored/few elements of risk
- Opportunity - potential to do more

RESULT RISK ASSESSMENT 2024/25

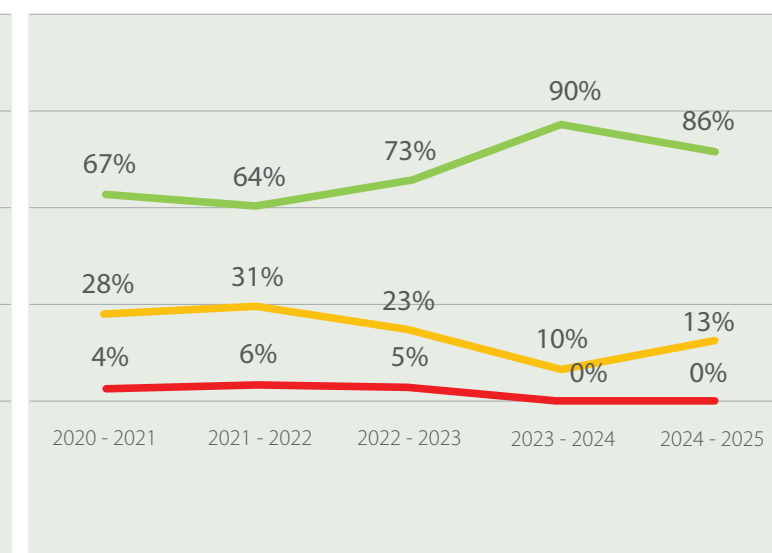
The results of the risk assessment of our cocoa farmer groups for 24/25 showed a strong continuation of last year's results. The farmer groups in Opportunity still represent the far majority with 86%, followed by Monitoring (13%) and Risk just above 0% due to 1 farmer group identified in this category. As anticipated the number of farmer groups decreased in 24/25, from 232 to 209 (-10%), mainly for Cocoa Beans. Main reason is that cocoa supply was relatively under control again versus the turbulent year before.

As part of our commitment to continuous improvement, we will continue to work closely with our Tier-1 suppliers to further improve the scoring of our farmer groups where possible.

Results 2024/25



Results since 2020/21





GLOSSARY

- **Polygon mapping:** Polygon mapping is achieved with specially trained people (e.g. enumerators, lead farmers, etc.) who walk around the cocoa farm with technological devices to collect multiple GPS points through which they can very precisely identify the location of the farm and measure its size. Based on this information it is then possible to verify that a farm is not located in a protected forest, and to do a more accurate estimate of the total volume a cocoa farmer can produce. This method is more precise and robust than other methods, which collect only a single GPS point of a farm.
- **Independently managed standards:** These refer to our Suppliers' verified sustainability programmes. The standards we apply to our supply are publicly reported in our Cocoa Charter.
- **Child Labour Monitoring and Remediation System (CLMRS):** CLMRS is a proven concept targeting prevention, mitigation and remediation assistance at children involved in or at risk of child labour, their families, and communities. The objective is to have these supply chain or community-based systems integrated into national systems, in order to create fully integrated systems.
- **Village Savings and Loans Association (VSLA):** VSLA groups are self-managed groups of community members who meet regularly to save their money in a safe space and have access to small loans.
- **Supplier Code:** Across our supply chain, suppliers are required to sign our Supplier Code, which sets out our responsible sourcing requirements. Acknowledgement for Ferrero means the supplier has signed the Supplier Code.
- **Farm Development Plan (FDP):** Together with our partners, we provide individual farm and financial management coaching to selected cocoa farmers and develop Farm Development Plans following a thorough assessment and tailored to their specific situation, socio-economic position, and motivation level. The FDPs have a strong focus on improving productivity but also support farmers to diversify their farms and implement agroforestry systems. The duration of the FDP cycle can vary from three to seven years. During this period farmers are monitored to track the implementation of their FDP and provide support where relevant.
- **Income Generating Activities:** These are small businesses managed by individuals or a group of people to increase their household income through livelihood diversification. Activities can be on-farm, for example the production of fruits and vegetables that can be used for own consumption or to sell locally, or off-farm activities such as beekeeping, grass-cutting or keeping small shops. Supporting farmers to increase and diversify their income is important to improve their resilience, and help them cope with cocoa price fluctuations.